

REPORT

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SOURCE Japanese newspaper, Minshu Tsushin, No 2 (50), published by USSR Occupation Forces, Ta-lien (Dairen), 7 January 1948. (Translation specifically requested.)

IN THE KWANTUNG AREA

The following important principles have been laid down as the concrete economic policy of the Kwantung area for meeting the needs of the people of the whole area. The purpose of these principles is to promote recovery and progress in industry, based on improved market conditions; to develop the agricultural, fishing, and salt industries, basic in increasing food supplies; and to regulate foreign trade in order to assure imports of food and industrial raw materials and exports of manufactured products.

A. Industry

1. Planned and organized production shall be carried out, with special importance given to textiles, steel, machinery, chemicals, and medicines, to supply the needs not only of the people in the area but also of markets outside of the area.
2. Plans shall be laid for the recovery and progress of the silk, cotton spinning, and clothing industries. Operation shall be geared to run 65 percent of the spinning machinery around-the-clock. Raw materials shall be used economically to assure continuous production. Technological processes shall be employed to spin cotton and silk cloth from reclaimed cotton and silk. Some of the garment factories shall be reorganized to ensure self-sufficiency in cotton goods.
3. Plans shall be laid for a large measure of recovery in the steel and machinery industries. Increased assistance shall be given to privately-owned iron works. Efforts shall be made to improve or reorganize factory machinery and equipment, to improve technical skill, to promote recovery in production by encouraging the use of raw materials found in this area, to reduce pro-

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duction costs, and to study manufacturing methods used in other places.

4. Ships shall be repaired and new ships built to meet shipping and fishing needs.

5. Existing equipment in chemical and pharmaceutical industries shall be repaired and rebuilt. Production of industrial chemicals, such as sulfuric acid, caustic soda, yellow phosphorus, red phosphorus, and phosphorous sulfide shall be carried out. Plans shall be formulated to produce paints, soap, printing ink, tooth powder, etc. The manufacture of various kinds of medicines shall be emphasized.

6. Adequate electric power shall be produced to meet industrial and general use. Various electrical supplies shall be manufactured not only to meet the needs of this area but also, as far as possible, to exchange in foreign markets for other industrial raw materials.

7. A goal of 300-percent increase in production of Chin-hsien anthracite shall be established. Coal shall be mined to meet the demand for it.

8. To assure a supply sufficient to meet the needs of the people, 2,000 tons of edible oils, 34 million cigarettes, and 1,200 tons of soy sauce shall be produced.

9. The problem of unemployment among women shall be solved by organizing shoe and net factories.

10. Public enterprises shall be operated in accordance with the plan. The government shall give financial assistance to essential industries. The operation of nonessential plants shall be suspended or restricted. Raw materials shall be procured through foreign trade agencies. The government shall make loans and investments during this year amounting to 900 million yuan for the restoration and replacement of factory equipment.

B. Agriculture

1. By intensive cultivation and increasing the area of cultivated land, production shall be increased 40,000 tons.

2. By the end of April 70,000 se [1 se equals 119 square yards] of wasteland shall be reclaimed (Chin-hsien, 30,000 se; Lu-shun, 20,000 se; Ta-lien Hsien, 20,000 se). In Chin Hsien 6,000 se of paddy fields shall be recovered.

3. Attempts shall be made to solve the fertilizer problem by channeling all refuse and night soil from the cities in this area to agricultural use, and by importing necessary fertilizers.

4. Areas yielding two crops annually shall be increased. The production of cotton, hemp, peanuts, and sweet potatoes shall be encouraged. The cultivation of melons and beans on vacant lots and production of substitute foods shall be encouraged.

5. Production of fruit shall be encouraged. Surpluses shall be exported. Vegetable gardens shall be decreased so as to produce crops yielding more per acre. Production shall be increased through technological improvements, thus assuring sufficient food for the needs of the people.

6. Livestock production shall be fostered. The raising of hogs, sheep, poultry, bees, etc., shall be encouraged as sub-sidiary industries.

7. To guarantee agricultural production the government shall make loans amounting to 1,200 million yuan for the purchase of fertilizers, seed, and

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agricultural implements.

8. Farm labor shall be organized on a wide scale to fulfill plans for increased food supplies.

C. Salt and Fishing

1. The 22,350 sq of existing salt fields shall be restored and 233 sq of new ones shall be opened. The electrification of the salt fields is being planned. Old salt fields in Chin-hsien, Lu-shun, and Ta-lien Hsien shall be restored to produce 70,000 tons during the year.

2. The government shall make loans and investments amounting to 400 million yuan in order to increase the production of salt.

3. The government shall make investments and loans amounting to 200 million yuan to stabilize the livelihood of fishermen, to build new fishing boats, to improve fishing equipment, and to promote the fishing industry.

D. Foreign Trade

1. Supervision of foreign trade shall be strengthened. Commodity controls shall be exercised to insure the import of food and industrial raw materials, the export of manufactured goods, and the maintenance of a balance between imports and exports.

2. The development of legitimate trade shall be fostered and encouraged. Consumer cooperatives and retail stores shall be organized according to plan. Markets shall be regulated to stabilize prices and to eliminate speculation.

Finally, the government shall formulate a rational tax policy and a unified wage system. Government departments shall be reorganized to decrease fiscal expenditures. Capital shall be controlled. Manpower, financial resources, and raw materials shall be concentrated and channeled into production. The government shall organize model labor corps to do superior work in the various industries. The success of the 1948 economic recovery program is dependent upon the entire labor force.

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